

The Honorable Michael K. Powell
Chairman
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Dear Chairman Powell:

I'm writing to urge you to support the proposed merger between Hughes Electronics and EchoStar Communications. I believe the merger holds tremendous potential for my company in OVERTON, NV which sells the DIRECTV satellite TV service. The new company will offer a more attractive product to consumers, and this will mean more business for my company.

The majority of my customers are not able to subscribe to their local broadcast channels via satellite. This is the case because DIRECTV does not have sufficient spectrum to provide all local channels in every one of the country's 210 local television markets. Currently, DIRECTV offers local broadcast channels in only 43 markets. The merger will allow the combined company to reclaim the spectrum currently used for the duplicate broadcasting of approximately 500 identical TV channels. This will increase capacity and allow the new company to serve all television markets in the U.S. This will allow me to offer my customers a more competitive alternative to cable in the near future.

If the merger is approved, the new company will be able to provide consumers in my area an affordable high-speed Internet access service via satellite. There are a small number of customers in my area who do enjoy broadband access to the Internet via cable modem and DSL service. For them, this merger will result in increased competition in the broadband market, potentially driving down prices of DSL and cable providers. However, the majority of the homes, schools and businesses in my area are beyond the reach of cable and DSL wires. For these customers, the new company may be their only chance of getting an affordable high-speed Internet service.

This merger will increase satellite TV's ability to respond competitively to the roll out of digital cable, forcing cable companies to respond in a variety of ways including accelerating their digital upgrades and extending their wires out to reach those customers they currently do not serve. The resulting expansion in digital capabilities across the board will increase competition generally, will drive hardware upgrades for consumers, and drive retail traffic and sales nationwide.

Since its inception, direct broadcast satellite TV providers have offered uniform, nationwide pricing structures, and the new company has guaranteed that it will continue this practice. Nationwide pricing offers customers in rural America the full benefits of the rigorous competition occurring in urban and suburban areas. I can rest assured that satellite TV will remain a competitively priced product.

The EchoStar-HUGHES merger will allow the new company to offer a stronger satellite TV product nationwide, providing local broadcast channels in every

television market, and new and enhanced television services such as HDTV, interactive TV, and more. In addition, the new company will be able to offer an affordable, high-speed Internet product to every zip code in the country. As a retailer for DIRECTV, I will benefit from increased sales. For all of these reasons, I urge you to support the EchoStar-HUGHES merger.

Sincerely,

VAL SMITH
440 N. COOPER ST.
OVERTON, NV 89040